



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/282,747

03/31/1999

JAY S. WALKER

99-007

9049

22927

7590

06/12/2008

WALKER DIGITAL MANAGEMENT, LLC  
2 HIGH RIDGE PARK  
STAMFORD, CT 06905

EXAMINER

NGUYEN, TRI V

ART UNIT

PAPER NUMBER

1796

MAIL DATE

DELIVERY MODE

06/12/2008

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/282,747	<b>Applicant(s)</b> WALKER ET AL.	
	<b>Examiner</b> TRI V. NGUYEN	<b>Art Unit</b> 1796	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 06 March 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1 and 81-101 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1 and 81-101 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### ***Response to Amendment***

1. In the supplemental amendment filed on 03/06/08, Claims 1, 81 and 82 have been amended and Claims 2-80 have been cancelled. The currently pending claims considered below are Claims 1, 81-101.
2. in view of the amendment and applicants' remarks, the rejections under 112(2) and 103(a) over Katz, Donlon and Discount Store News are withdrawn.

### ***Claim Rejections - 35 USC § 101***

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 1, 88 and 95-101 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

It is noted that based on Supreme Court precedent and recent Federal Circuit decisions, the Office's guidance is that a § 101 process must (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. If neither of these requirements is met by the claim, the method is not a patent eligible process under § 101 and should be rejected as being directed to nonstatutory subject matter. See *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876).

### ***Claim Rejections - 35 USC § 112***

5. The following is a quotation of the first paragraph of 35 U.S.C. 112:

Art Unit: 3622

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

6. Claims 1 and 81-101 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Claims 1, 81 and 82 recite the limitations of specific service and/or lack of service requirement regarding the product and upselling offers; however, the specification seems to lack literal basis for the claimed limitations.

***Claim Rejections - 35 USC § 103***

7. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

8. Claims 1 and 81-101 are rejected under 35 USC 103(a) as being unpatentable over Katz in view of Sloane (US 5,918,211), Donlon or Discount Store News and further in view of Schanhausser ("A maze of plastic consumers try to make their way through the confusing state of credit cards." St Louis Post Dispatch, Jul 30, 1994.) or Edwards ("Credit card issuers see some growth." Las Vegas Review - Journal, March 18, 1994).

Claim 1: Katz et al. discloses a method, comprising:

- a. before receiving an indication of at least one item selected by a customer for purchase from a first vendor, receiving, via an electronic network information relating to customer activity of a customer with a first vendor, in which the information indicates interest of the

Art Unit: 3622

customer in purchasing at least one item from the first vendor (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);

- b. receiving an indication of at least one item selected by the customer to purchase from the first vendor, the at least one item having an associated total price (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);

but does not explicitly disclose

- c. before receiving the indication of at least one item selected by the customer for purchase from the first vendor, providing to the customer, in response to the received information, an indication of an offer for a subsidy from a second vendor, wherein the offer for the subsidy is an offer for a reduction in price relative to a total price of a purchase from the first vendor; and
- d. charging the customer a second price for the at least one item selected for purchase only if the offer is accepted, the second price being less than the associated total price.

In an analogous art, Sloane, Donlon or Discount Store News teaches that it is known to use a cross-marketing approach to sell a product at discount via a subsidy from a second vendor to provide an incentive to the purchaser of the product (Sloane: col 8, lines 13-49 and Figs 1, 8a-c; Donlon: abstract or Discount Store News: abstract and page 1, parag. 3) and Schanhausser or Edwards teach the features of providing a subsidy (e.g. discounts, lower rates) for a purchase (e.g. computer, car, magazine) via a service agreement (credit card) with a second merchant (e.g. MasterCard, Visa). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the cited references' method, with the cross-marketing approach as taught by Sloane, Donlon or Discount Store News and Schanhausser or Edwards. One would have been motivated to modify the method with subsidizing for the price of a product/service with a related product/service for providing an

Art Unit: 3622

incentive for the purchase of the initial product/service thus enhancing customer base via a combination of products and achieving profitability. The claimed subject matter would have been obvious because a particular known technique was recognized as part of the ordinary capabilities of a skilled artisan to improve and update known scheme to modern business and technological practices.

Claim 81: Katz et al. discloses a method, comprising the steps of

- a. receiving via an electronic network an indication that an item has been placed in a shopping cart of a Web site of first vendor, in which the item has an associated price;
  - b. determining whether to provide an offer for a subsidy based on the received indication (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
  - c. determining an offer for a subsidy from a second vendor, in which the offer includes a requirement to participate in a transaction with the second vendor (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
  - d. displaying, during a transaction, an indication of the offer for the subsidy from the second vendor, in which the offer is displayed via a Web page (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
  - e. receiving input representing a click of a button on the Web page (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
  - f. determining, from the input, a response to the offer for the subsidy (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
- and

Art Unit: 3622

- g. selling, during the transaction, the item for a second price only if the response indicates that the offer is accepted, in which the second price is less than the price of the item.

Katz et al. recites steps b-f but does not explicitly disclose step a and g. The shopping cart limitation is seen as a design decision which is given little, if any, patentable weight. Katz et al. teaches the use of a website and recites the intention of purchasing. It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method as taught by Katz et al. to include shopping carts and the web interface features. One would have been motivated to allow for the modification of the method to simulate the shopping experience of the physical world. These features are taught for example by Chelliah et al. (US 5,710,887) that shows the shopping cart and web interface in an upselling scheme.

In an analogous art, Sloane, Donlon or Discount Store News teaches that it is known to use a cross-marketing approach to sell a product at discount via a subsidy from a second vendor to provide an incentive to the purchaser of the product (Sloane: col 8, lines 13-49 and Figs 1, 8a-c; Donlon: abstract or Discount Store News: abstract and page 1, parag. 3) and Schanhausser or Edwards teach the features of providing a subsidy (e.g. discounts, lower rates) for a purchase (e.g. computer, car, magazine) via a service agreement (credit card) with a second merchant (e.g. MasterCard, Visa). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the cited references' method, with the cross-marketing approach as taught by Sloane, Donlon or Discount Store News and Schanhausser or Edwards. One would have been motivated to modify the method with subsidizing for the price of a product/service with a related product/service for providing an incentive for the purchase of the initial product/service thus enhancing customer base via a combination of products and achieving profitability. The claimed subject matter would have been

Art Unit: 3622

obvious because a particular known technique was recognized as part of the ordinary capabilities of a skilled artisan to improve and update known scheme to modern business and technological practices.

Claim 82: Katz et al. discloses a method, comprising the steps of:

- a. receiving via an electronic network an indication that an item has been placed in a shopping cart of a Web site of first vendor, in which the item has an associated price;
- b. determining an amount (this step is implied in order to charge a customer);
- c. determining whether to provide an offer for a subsidy based on the received indication (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
- d. determining an offer for a subsidy from a second vendor, in which the offer includes a requirement to participate in a transaction with the second vendor (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
- e. determining a subsidy amount (this step is implied in order to determine a subsidy offer);
- f. displaying, during a transaction, an indication of the offer for the subsidy from the second vendor, in which the offer is displayed via a Web page (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
- g. receiving input representing a click of a button on the Web page (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);
- h. determining, from the input, a response to the offer for the subsidy (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6);



Art Unit: 3622

- i. determining a second price based on the price of the item and the subsidy amount (this step is implied in order to charge a customer participating in the transaction)
- j. selling, during the transaction, the item for the second price only if the response indicates that the offer is accepted, in which the second price is less than the price of the item.

Katz et al. recites steps b-i but does not explicitly disclose step a and g. The shopping cart limitation is seen as a design decision which is given little, if any, patentable weight. Katz et al. teaches the use of a website and recites the intention of purchasing. . It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method as taught by Katz et al. to include shopping carts and the web interface features. One would have been motivated to allow for the modification of the method to simulate the shopping experience of the physical world. These features are taught for example by Chelliah et al. (US 5,710,887) that shows the shopping cart and web interface in an upselling scheme.

In an analogous art, Sloane, Donlon or Discount Store News teaches that it is known to use a cross-marketing approach to sell a product at discount via a subsidy from a second vendor to provide an incentive to the purchaser of the product (Sloane: col 8, lines 13-49 and Figs 1, 8a-c; Donlon: abstract or Discount Store News: abstract and page 1, parag. 3) and Schanhausser or Edwards teach the features of providing a subsidy (e.g. discounts, lower rates) for a purchase (e.g. computer, car, magazine) via a service agreement (credit card) with a second merchant (e.g. MasterCard, Visa). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the cited references' method, with the cross-marketing approach as taught by Sloane, Donlon or Discount Store News and Schanhausser or Edwards. One would have been motivated to modify the method with subsidizing for the price of a product/service with a related product/service for providing an

Art Unit: 3622

incentive for the purchase of the initial product/service thus enhancing customer base via a combination of products and achieving profitability. The claimed subject matter would have been obvious because a particular known technique was recognized as part of the ordinary capabilities of a skilled artisan to improve and update known scheme to modern business and technological practices.

Claims 83-87: Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards disclose the method of claim 1, in which the information relating to customer activity comprises an indication of a mouse click on a predetermined portion of a Web page (Katz et al.: col 19, line 59 to col 20, line 23), a mouse-over on a predetermined portion of a Web page (Katz et al.: col 19, line 59 to col 20, line 23) but do not explicitly disclose a mouse click on a predetermined banner advertisement, a mouse click on an indication of an item, or mouse-overs on predetermined portions of Web pages at least a predetermined number of times. The features of a mouse click on a predetermined banner advertisement, a mouse click on an indication of an item and mouse-over on predetermined portions of Web pages at least a predetermined number of times are deemed to be obvious variants of monitoring the mouse cursor pattern on a specific webpage. Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards invite such modifications by teaching the identification of potential customer via a thorough knowledge of the customer's background and intentions (Katz et al. : col 10, lines 46-55). Therefore, it would have been obvious to a skilled artisan to modify the method of Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards for various mouse tracking configurations. One would be motivated to modify the method to obtain information about the customer's browsing behavior, thus enhancing targeted marketing opportunities.

Claims 88-94: Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards disclose the method of claim 1, in which the information relating to customer activity comprises an indication of accessing predetermined Web pages (Katz et al.: col 19, line 59 to col 20, line 23), accessing a predetermined number of predetermined Web pages (Katz et al.: col 19, line 59 to col 20, line 23) but do not explicitly disclose a search that is performed for a predetermined product, accessing predetermined Web pages in a predetermined sequence, accessing predetermined Web pages during a predetermined time period; a duration that the Web site is open or previous access to a predetermined Web site at least a predetermined number of times. The features of a search that is performed for a predetermined product, accessing predetermined Web pages in a predetermined sequence, accessing predetermined Web pages during a predetermined time period; a duration that the Web site is open or previous access to a predetermined Web site at least a predetermined number of times are deemed to be obvious variants of monitoring the browsing pattern of a potential customer. Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards invite such modifications by teaching the identification of potential customer via a thorough knowledge of the customer's background and intentions (Katz et al.: col 10, lines 46-55). Therefore, it would have been obvious to a skilled artisan to modify the method of Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards for various browsing patterns. One would be motivated to modify the method to obtain information about the customer's browsing behavior, thus enhancing targeted marketing opportunities.

Claims 95-101: Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards disclose the method of claim 1, in which the information relating to customer activity

Art Unit: 3622

comprises an indication of at least a predetermined number of previous purchases from the first vendor (Katz et al.: col 24, lines 12-29) but do not explicitly disclose a predetermined number of items that a customer is ready to purchase from the first vendor, a predetermined item that the customer is ready to purchase from the first vendor, a duration that an item is selected for purchase, requesting a coupon for a predetermined item, an item having at least a predetermined price that the customer is ready to purchase from the first vendor, or a frequent shopper status of the customer. The features of a predetermined number of items that a customer is ready to purchase from the first vendor, a predetermined item that the customer is ready to purchase from the first vendor, a duration that an item is selected for purchase, requesting a coupon for a predetermined item, an item having at least a predetermined price that the customer is ready to purchase from the first vendor, or a frequent shopper status of the customer are deemed to be obvious variants of monitoring the browsing pattern, buying interest and status of a potential customer. Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards invite such modifications by teaching the identification of potential customer via a thorough knowledge of the customer's background and intentions (Katz et al. : col 10, lines 46-55). Therefore, it would have been obvious to a skilled artisan to modify the method of Katz et al., Sloane, Donlon or Discount Store News and Schanhausser or Edwards for various browsing patterns. One would be motivated to modify the method to obtain information about the customer's browsing behavior, thus enhancing targeted marketing opportunities.

### ***Response to Arguments***

9. Applicant's arguments with respect to claims 1 and 81-101 have been considered but are moot in view of the new ground(s) of rejection. It is noted that the Katz reference teach the

Art Unit: 3622

upselling schemes and the Sloane, Donlon, Discount Store News, Schanhausser and Edwards references are relied upon to teach the specific features of the schemes.

### ***Conclusion***

10. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to TRI V. NGUYEN whose telephone number is (571)272-6965. The examiner can normally be reached on M-F 8:00 AM to 5:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vasu Jagannathan can be reached on (571) 272-1119 and Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3622

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/T. V. N./  
Examiner, Art Unit 1796

/Eric W. Stamber/  
Supervisory Patent Examiner, Art Unit 3622